Exact Synergy Enterprise

User Guide
Financial

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1. INTRODUCTION

After installing Exact Synergy Enterprise as instructed in the **Project Approach and Technical Installation Manual**, the next step is to implement other functionalities offered by the software that caters to your business needs.

The objective of this manual is to help you implement the financial consolidation applications which are available in the **Financial** module. As the implementation instructions are presented in easy and quick steps, this manual is meant for consultants as well as end-users. In general, the manual is created with the primary focus of helping everyone including users with minimal financial consolidation knowledge to implement the financial consolidation solution and subsequently run the financial consolidation process.

Each chapter starts with a brief introduction explaining the objectives of the chapter and the timeframe in which the objectives can be accomplished. The required time frame based on a certain condition is visualized by a picture of an hourglass.

Should you require more information about the applications, you can click **Help** at the title bar to view the online help documents in Exact Synergy Enterprise.

We are confident that this manual will help your company get started with Exact Synergy Enterprise and we believe your organization will benefit from this product very quickly.

2. OVERVIEW

The **Financial** module is a solution for organizations operating multiple divisions across the world, with divisions running different businesses and using varying financial systems.

With this functionality, multidivisional organizations will be able to carry out the financial consolidation process to present consolidated financial statements to all levels of the organizations as required by international accounting standards.

As shown in the financial consolidation flow chart, the setup of the financial consolidation cycle consists of three stages. The first stage requires you to define the necessary settings and prepare the master data before they can proceed to the financial consolidation process.

In the second stage, you will need to run the financial consolidation process by executing several steps to gather all the financial data from the divisions. You can also check the prerequisite configuration, translate the data to the presentation currency of the reporting entity, and finally generate the consolidated financial statements.

In the final stage, you can view the consolidated financial reports as a result of the financial consolidation process. The reports provide an enterprise-level overview of the financial performance for the whole group, thus you will be able to gain an insight to the overall financial health of your organization.

There are various advantages provided by the **Financial consolidation** module in Exact Synergy Enterprise. Among the advantages are:

- Consolidating financial records of divisions located in different countries across the world.
- Consolidating financial records of divisions that are using different accounting systems. This is accomplished through the master data mapping functionalities in which financial periods and general ledger (G/L) accounts used by divisions can be mapped to the financial periods and the G/L accounts used by the reporting entities.
- Consolidating financial records of divisions that are using different currencies to a standard currency based on the presentation currency of the reporting entity.
- Consolidating financial records based on changes in the organization structure. For example, changes in the percentage of ownership by shareholders in child divisions due to shares movements over time as well as different consolidation methods applied.
- Prerequisites checking by the system to ensure all required configurations have been done before the financial consolidation process can be performed.
- Consistent presentation of consolidated financial statements for different financial years.

The consistent presentation of consolidated financial statements for different financial years uses the historical reporting feature which is supported by the financial consolidation functionality in Exact Synergy Enterprise. Historical reporting refers to the ability of the system to present the consolidated financial data of a past period consistently if it is viewed in another period. For example, the consolidated financial records for the year 2006 period 12 will not differ if you view the records in the year 2007 period 10. This remains the same despite changes in the chart of accounts used, reporting structure of the organization, or percentage of ownership over time. This is made possible as the factors that can influence the financial consolidation are stored according to financial years and periods.

In conclusion, financial consolidation empowers and facilitates you to generate consolidated financial statements for multi-division organizations in line with the increasing needs for accurate and transparent financial statistics for corporate and management reporting purposes.

3. PREPARATION AND SETUP

When setting up financial consolidation, you should define the necessary settings and prepare the master data before you can proceed to the financial consolidation process. These settings and master data will impact the consolidation process. There are four important preparations that you need to do:

- Define the general financial and consolidation settings
- Prepare the financial setup
- Prepare the consolidation setup, and
- Map the general ledger (G/L) accounts and periods.

3.1 GENERAL FINANCIAL AND CONSOLIDATION SETTINGS

There are two important settings that you are required to set up. They are the general financial settings and consolidation settings. Both settings are set up from the following page:

Financial: Settings

| Save | Close |

General

Main holding division	000 — Exact Holding N.V.
Country	NL × 🔍 Netherlands
Currency	EUR — Euro
Check closed periods	Date ▾

General ledger links

Calculation differences	2200	🔍 CTA translation F/S consolidated subs
Euro calculation difference	9020	🔍 Exchange rate differences

Export: G/L Account

Classification	Main Categories ▾
Sub-classification	Categories ▾

Import

Reopen: Periods (Automatically)	☐
Show alert for	30 ▾ Days
Document: Type	Globe notes & attachments ▾

Import: Check

Document: Deletion date	7 ▾ Days

Import financial data

Document: Type	▾

Financial consolidation

Opening balance: Year / Period	2007 ▾ 12

3.1.1   General financial settings

It is important that you set up the general financial settings before you create any financial entries as these are the main settings for the financial module.

To set up the general financial settings, function right **39 - Maintain financial settings** is required.

Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to set up the general financial settings is approximately 3 minutes.

To set up general financial settings:

1. Go to Modules → Financial → Setup → General → Settings, and then click **Edit**.
2. Under the **General** section, type or select the country at **Country.**
3. Type or select the default currency at **Currency**. The currency that you select determines the reporting currency used in the consolidation of the financial reports. You can define other currencies of your choice if the displayed list of currencies is not applicable.
4. Select **Date** or **Reporting** at **Check closed periods** to determine which is to be used when checking the status of the division (during the close period).
5. Under the **General ledger links** section, type or select a default general ledger account for calculation differences at **Calculation differences**.
6. Type or select a default general ledger account for calculation differences in Euro at **Euro calculation difference**.
7. Under the **Export: G/L Account** section at **Classification**, select a category from the available options to define which classification is to be used when you download the general ledger schemes from Exact Synergy Enterprise.
8. Select a category from the available options to define which sub-classification is to be used when you download the general ledger schemes from Exact Synergy Enterprise at **Sub-classification**.
9. Under the **Import** section, select the **Reopen: Periods (Automatically)** check box to automatically allow the closed periods to be opened when you import the financial transactions. When this check box is cleared, the financial transactions will be imported as closed periods and stored in Exact Synergy Enterprise. You will need to manually open the closed periods before you can process the financial transactions.
10. Select the number of days at **Show alert for** to indicate the maximum number of days that will be displayed at **Days** under the **Import : Status** column in the **Division: Status** report. If the last import date in the report exceeded the number of days defined at **Show alert for**, you will see a cross in the report. This is also displayed at **Days** under the **Import : Status** column. You can define a maximum of 30 days for this field.
11. At **Document: Type**, select a document type to display the default report when the background check on the financial transactions has been performed.
12. Under the **Import: Check** section, select the number of days at **Document: Deletion date** to indicate the number of days required to delete reports that record the comparisons of the financial data by division between Exact Synergy Enterprise and its back office. You can define a maximum of 30 days for this field.
13. Under the **Import financial data** section, select the document type at **Document: Type** to display the **Save attachment** check box at Modules → Financial → Entry → Transactions → Import financial data. If you do not make a selection here, the check box will not be available.

> **Note:**
> The **Import financial data** section is available only if you have the module license **YA1040 – Financial consolidation** and option **470**.

14. Under the **Financial consolidation** section, select a year and type a period at **Opening balance: Year / Period** to define the opening balance for financial consolidation and start the consolidation at the fixed period of the financial year. Leave this blank if you do not need to enter any consolidation opening balances as in the case when you run financial consolidation from the very first period in the system. This case is probably only true for new Exact Synergy Enterprise installations.

> **Note:**
> The **Financial consolidation** section is available only if you have the module license **YA1040 – Financial consolidation** and option **470**.

15. Click **Save** to save the information, or **Close** to exit.

> **Note:**
> All fields with the "**!**" icon are mandatory.

3.1.2 Consolidation settings

You need to set up the consolidation settings before performing any financial consolidation. These settings will impact the consolidation opening balance and the period you start the financial consolidation among others.

To set up the consolidation settings, function right **39 - Maintain financial settings** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to set up the consolidation settings is approximately 1 minute.

To set up consolidation settings:

1. Go to Modules → Financial → Setup → General → Settings, and click **Edit**.
2. Type or select the division at **Main holding division** under the **General** section to determine the organization that needs to prepare the general-purpose financial reports.
3. Select the document type at **Document: Type** under the **Import** section to display the **Save attachment** check box at Modules → Financial → Entry → Transactions → Import financial data.

> **Note:**
> Defining a document type here offers you the possibility to save period-end figures and in this way, support an audit trail.

4. Under the **Financial consolidation** section at **Opening balance: Year / Period**, select the year and type the period. This is to generate consolidation opening balance and start the financial consolidation on a fixed period of a selected year. For example, if you want to view your opening balance in period 1 of 2006, you need to type "12" at **Period** and select "2005" at **Year**.
5. This is done because opening balances are generated in the period before the period where you want to start your actual financial consolidation.

> **Note:**
> This setting is not applicable for customers who are starting a new financial consolidation.

6. Click **Save** to save the information, or **Close** to exit.

> **Caution!**
> If the consolidation opening balances already exist, changing the year or period under the Financial consolidation section will cause the existing records and consolidation reports to be deleted.

3.2 FINANCIAL SETUP

Before defining the specific consolidation settings, the basic financial settings must first be defined. Information such as the financial years and periods, corporate G/L accounts, division G/L accounts, and others have to be defined.

3.2.1 Defining financial years and periods

Before you create or make any financial entries, it is necessary to create the financial years and periods for all your different divisions. Different divisions might have different financial years and periods and these must be defined.

To create financial years, function right **195 - Maintain years/periods** is required. Users with the **Controller** role have this function right.

> **Note:**
> The estimated time required to create a financial year and its relevant periods for a division is approximately 1 minute.

To create financial years and periods for a division:

1. Go to Modules → Financial → Setup → General → Financial years / Periods, and then click **New**. You will see the following page:

2. Type or select a division at **Division**.
3. By default, the year and date displayed at **Year** and **Date** respectively, will reflect the year after the last date available in the system. Alternatively, type a year, or type or select a date that you want to generate the financial year for.
4. Select the frequency for the new financial year and select the **Generate: Period mapping** check box to generate the period mapping for the reporting entity and its subsidiary together with the new financial year.

> **Note:**
> This check box is enabled only when the division selected is a reporting entity.

5. Click **Generate** to create the financial years and period for the division, or **Close** to exit.

<div style="background-color:red; color:white;">

Note:
All fields with the "**!**" icon are mandatory.

</div>

3.2.2 Defining G/L account categories

G/L account categories offer different classified views on your financial data for reporting purpose. You can have up to 10 G/L account categories for both corporate and division G/L accounts. You can activate, deactivate, or modify these categories.

To create and modify G/L account categories, function right **29 – Maintain account** categories is required. Users with the **General manager** and **Controller** roles have this function right.

<div style="background-color:red; color:white;">

Note:
The estimated time required to define a G/L account category is approximately 2 minutes. Take note that this is dependent on the number of subcategories you want to add under each category.

</div>

To define G/L account categories:

1. Go to Modules → Financial → Setup → Master data → Categories. You will see the following page:

2. At **Report** under the **Criteria** section, select **Corporate** to define the categories for the corporate G/L, or **Division** to define the categories for the division G/L. If **Division** is selected, type or select the division code.

3. Next, select the category code that you want to activate or modify under the **Code** column. You will see the following page:

G/L Accounts (Corporate): Category - External reporting 2 (until FY 2003)

| Save | Close |

General

Description External reporting 2 (until FY 2003)
Active ☑

Subcategories   Add

Subcategory ▲∨	Description ∧∨
<none>	
01	Software revenue
02	Maintenance revenue
03	Service revenue
04	Personnel expenses
05	Outwork
06	Sales & Marketing
07	Depreciation fixed assets
08	Other operating costs
09	Sales related expenses
10	Interest
11	Corporate income taxes
21	Intangible fixed assets
22	Buildings
23	Furniture & fixtures

Note:
From the previous page, you will see the **Division** field only if you select **Division** at **Report** under the **Criteria** section. If **Corporate** is selected at **Report**, you will only see the **Description** field and **Active** check box.

4. Under the **General** section at **Description**, type a description for the G/L account category and select the **Active** check box to activate it.
5. At the **Subcategories** title bar, click **Add** to add subcategories to the category.
6. Click **Save** to save the information, or **Close** to exit.

3.2.3 Defining currencies

When trading with different countries, different currencies are used. You need to activate the currencies used by your company before making any financial transactions. You can activate, deactivate, or modify the details of the currencies available in the system.

To define currencies, function right **33 – Maintain currencies** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time to define the details of a currency is approximately 1 minute.

To define currencies:

1. Go to Modules → Financial → Setup → General → Currencies, and click **Show** to display all the available currencies in the system. You will see the following page:

2. Select a currency check box under the first left column and click **Activate** to activate the currency. Once this is done, a green check mark will replace the red cross to indicate that the selected currency is now active.

> **Tip:**
> You can also activate a currency by clicking on the hyperlink of the currency code under the **Code** column. This will open the respective currency details page. On that page, select the **Active** check box to activate the currency, and click **Save** to save the changes. At the currency details page, you can also define the exchange rate. For more information, see *4.1 Exchange Rates Maintenance*.

3.2.4 Creating corporate G/L accounts

When creating chart of accounts, it must reflect the organization and management structure of a company. You can create G/L at a corporate level to reflect the corporate schema.

To create the corporate general ledger accounts, function right **10 – Maintain corporate G/L** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to create a corporate G/L account is approximately 3 minutes.

To create corporate G/L accounts:

1. Go to Modules → Financial → Setup → Master data → G/L Accounts or Modules → Financial → Reports → G/L Accounts → Chart of Accounts. You will see the following page:

By default, **Corporate** is selected at **Report** under the **Criteria** section. Next, click **New**. You will see the following page:

2. Under the **General** section, type a general ledger account at **G/L**.
3. At **Type**, select the required G/L account.

Note:
It is important to select the correct type of G/L account as this setting will determine whether the financial entries of the G/L account is registered to the balance sheet or profit and loss statement.

4. At **Debit/Credit**, select the type of entry for the G/L account. This determines which side the balance of the G/L account should be presented.
5. Click **Save** to save the information, or **Close** to exit.

Note:
All fields with the "**!**" icon are mandatory.

Tip:
The categories available for selection under the **Categories** section are dependent on the defined categories at Modules → Financial → Setup → Master data → Categories.

3.2.5   Creating division G/L accounts

The corporate schema operates next to the division schema. Therefore, all divisions create their own division G/L accounts.

To create division general ledger accounts, function right **12 – Maintain division G/L** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time to create a division G/L account is approximately 3 minutes.

To create division G/L accounts:

1.   Go to Modules → Financial → Setup → Master data → G/L Accounts or Modules → Financial → Reports → G/L Accounts → Chart of Accounts. You will see the following page:

2.   Select **Division** at **Report** under the **Criteria** section. You will see an additional field next to **Report** if you select **Division**.
3.   Next, type or select a division. Then, click **New**. You will see the following page:

4.   Under the **General** section, type a general ledger account number at **G/L**.
5.   Click **Save** to save the information, or **Close** to exit.

> **Note:**
> All fields with the "**!**" icon are mandatory.

3.2.6 Creating Our Ref. numbers

Before making financial entries, you need to create the "our reference" numbers for each division. The system will then use these numbers when you create financial entries.

To create Our Ref. numbers, function right **452 – Maintain numbers range** is required. Users with the **General manager**, **Controller**, and **F&A staff** roles have this function right.

> **Note:**
> The estimated time required to create the Our Ref. numbers for a division is approximately 1 minute.

To create Our Ref. numbers:

1. Go to Modules → Financial → Setup → General → Numbers: Our ref., and click **New**. You will see the following page:

2. Type or select the **Division** you want to create the "our reference" numbers for.
3. Select the journal at **Type**.
4. Then, type the first number (by default, this number is the result of +1 of the last number in the existing range of numbers) at **First** and last number to be generated at **Last**.
5. Click **Save** to save the information, or **Close** to exit.

> **Note**:
> All fields with the "**!**" icon are mandatory.

3.3 CONSOLIDATION SETUP

The basis for financial consolidation is the participation in different companies. These participations are visible by holding shares in those companies. In Exact Synergy Enterprise, the system facilitates a division to issue shares and a parent company to buy these shares. The following describes the steps that you need to perform for consolidation setup.

3.3.1 Issuing shares

A child company will first need to issue shares to allow its purchase by individuals or other divisions/companies. You can create and maintain the share capital transaction records whenever a division is issuing new shares or buying back its shares.

To issue shares, function right **62 – Maintain subsidiaries and shareholders** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to create a share capital issuance record is approximately 2 minutes.

To issue shares:

1. Go to Modules → Financial → Setup → Organization → Divisions. You will see the following page:

2. Under the **Criteria** section, define the relevant criteria and click **Show** to display the divisions. The results are as follows:

3. Select a division by clicking the hyperlink under the **Name** or **Code** column. You will see the division card.

> **Note:**
> It is not possible to link a main holding division to shareholders.

4. Next, click **Shareholders** under the **Groups** section. You will see the following page:

5. At the **Share capital** tab, click **New**. You will see the following page:

6. Type the number of shares at **No. of shares**.
7. Click **Save** to save the information, or **Close** to exit.

> **Note:**
> All fields with the "**!**" icon are mandatory.

> **Tip:**
> Only ordinary shares will be taken into account when the system calculates the shareholder's percentage of ownership in the division, while preference shares transactions are registered for information purposes.

3.3.2 Creating participation

A division can be the parent company of another company, division, or subsidiary. The participation of the division as the parent company can be in the form of management control, financial control, or both. Before creating participation, you need to create divisions. For more information on creating divisions, see *3.1.4 Division and division groups of the HRM Implementation Manual*.

When a division purchases shares in another division, the former will become a shareholder. In this scenario, the shareholder can link the division that it had purchased shares from as its child division. Before you can link a division to a shareholder, you must first issue shares for that division. Only then will there be shares available to be purchased by the division that will become the shareholder.

To create participation, function right **62 – Maintain subsidiaries and shareholders** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to create participation in a child division is approximately 2 minutes.

To create participations:

1. Go to Modules → Financial → Setup → Organization → Divisions. You will see the following page:

2. Under the **Criteria** section, define the relevant criteria and click **Show** to display the divisions. The results are as follows:

3. Select a division by clicking the hyperlink under the **Name** or **Code** column. You will see the division card.

4.   Next, click **Divisions** under the **Groups** section. You will see the following page:

5.   Click **New**. You will see the following page:

6.   Under the **General** section, type or select a division at **Division**.
7.   Click **Save** to save the information, or **Close** to exit. You will see the page as follows once **Save** is clicked.

8.   Under the **Share purchases & disposals** section, type the number of shares at **No. of shares**.
9.   Click **Save** to save the information, or **Close** to exit.

Note:
All fields with the "**!**" icon are mandatory.

Tip:
When a child division is linked (through creating participation), you can record the shares purchase or disposal transactions in the child divisions and track the investment records in each child division at any point in time.

3.3.3 Defining shareholders

After you have created the share capital transaction records for a division, it is possible to link shareholders to the division. With this functionality, you can create and maintain the shareholders' records for the division.

To define shareholders, function right **62 – Maintain subsidiaries and shareholders** is required. Users with **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to define a shareholder for a division is approximately 2 minutes.

To define shareholders:

1. Go to Modules → Financial → Setup → Organization → Divisions. You will see the following page:

2. Under the **Criteria** section, define the relevant criteria and click **Show** to display the divisions. The results are as follows:

3. Select a division by clicking the hyperlink under the **Name** or **Code** column. You will see the division card.
4. Next, click **Shareholders** under the **Groups** section. You will see the following page:

5. Click the **Shareholders** tab, and then click **New**. You will see the following page:

Financial: Shareholder

Save	Close

Division 126 — Exact Software Belgium N.V.

General

Shareholder [   ] 🔍 ⚠

Type of shares [Ordinary shares ⌄]

6. Under the **General** section, type or select the shareholder at **Shareholder**.
7. Click **Save** to save the information, or **Close** to exit.

> **Note**:
> All fields with the "**!**" icon are mandatory.

> **Tip:**
> After you have clicked **Save**, you can create the share transaction record between the shareholder and the division. Refer to steps 8 and 9 under *To create participation in 3.3.2 Creating participation*.

3.3.4 Defining main shareholder

The consolidation structure shows the divisions based on the relation with their main parent. At any point in time, you can only define one main shareholder for a division. A main shareholder may not necessarily be the one that owns the largest stake in the division, but it could be a small shareholder with dominant control over the division.

To define main shareholder, function right **62 – Maintain subsidiaries and shareholders** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to define the main shareholder for a division is approximately 2 minutes.

To define main shareholders:

1. Go to Modules → Financial → Setup → Organization → Divisions. You will see the following page:

2. Under the **Criteria** section, define the relevant criteria and click **Show** to display the divisions. The results are as follows:

3. Select a division by clicking the hyperlink under the **Name** or **Code** column. You will see the division card.
4. Next, click **Shareholders** under the **Groups** section. You will see the following page:

5. Click the **Main: Shareholder** tab, and then click **Change** to define a different main shareholder.

6. Select the year and type the period from when a shareholder becomes the main shareholder of a division at **Effective from: Year / Period**.
7. Click **Save** to save the changes, or **Close** to exit.

Tip:
The divisions shown are limited to the actual shareholders that hold or own shares in this particular division.

In order to select a shareholder to become the main shareholder, it is advisable to first map the periods of the child division to the shareholder at Modules → Financial → Setup → General → Financial years / Periods.

For more information, see *3.4.3 Mapping Financial Periods*. If there is only one shareholder in the division, the shareholder will automatically become the main shareholder of the division.

If you want to change the main shareholder, the effective year/period for the new main shareholder must not be earlier than the effective year/period of the previous main shareholder.

3.3.5   Defining reporting entities

It is important to define the reporting entity in an organization as this is the division that will prepare the general-purpose financial reports for financial consolidation.

To define reporting entities, function right **90 – Maintain division** is required. Users with the **General manager**, **HR**, and **HR assistant** roles have this function right.

> **Note:**
> The estimated time required to define a division as a reporting entity is approximately 1 minute.

To define reporting entities:

1. Go to Modules → Financial → Setup → Organization → Divisions. You will see the following page:

2. Under the **Criteria** section, define the relevant criteria and click **Show** to display the divisions. The results are as follows:

Code	Name	Country	Group	League	Market	Statutory Report	External Reporting	Layout 6	Layout 7	Layout 8	Layout 9	Status
000	Exact Holding N.V.	Netherlands	Other	Not Applicable	Other	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
003	Exact Online B.V.	Netherlands	delft	Striker	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
005	Exact Retail B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
006	Exact Online Development B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
008	Exact Maatwerk B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
009	Exact Alliances B.V.	Netherlands	delft	Defender	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
014	Grote Beer Software B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
017	Exact Corporate Services B.V.	Netherlands	Other	Not Applicable	Other	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
019	Alllicense Holding B.V.	Netherlands	delft	Midfielder	Netherlands	Other divisions	Unknown	Unknown	Unknown	Unknown	Unknown	Active
020	Kooijman software B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active

3. Select a division by clicking the hyperlink under the **Name** or **Code** column. You will see the division card as follows:

4. Click **Edit** to modify or update the information.
5. Under the **Financial reporting** section, select the **Reporting entity** check box to define the division as a reporting entity.
6. Click **Save** to save the information, or **Close** to exit.

> **Note:**
> Once **Edit** is clicked, the **Save** and **Delete** buttons will be available.

3.3.6 Including child divisions in financial consolidation

Child divisions can be joint ventures, subsidiaries, or associates of a division. When a child division is linked to a parent company (through creating participation), users can define the divisions that are to be included in the consolidation process.

To include child division in financial consolidation, function right **62 – Maintain subsidiaries and shareholders** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to include a child division in the financial consolidation is approximately 2 minutes.

To include child divisions in financial consolidation:

1. Go to Modules → Financial → Setup → Organization → Divisions. You will see the following page:

2. Under the **Criteria** section, define the relevant criteria and click **Show** to display the divisions. The results are as follows:

Code	Name	Country	Group	League	Market	Statutory Report	External Reporting	Layout 6	Layout 7	Layout 8	Layout 9	Status
000	Exact Holding N.V.	Netherlands	Other	Not Applicable	Other	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
003	Exact Online B.V.	Netherlands	delft	Striker	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
005	Exact Retail B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
006	Exact Online Development B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
008	Exact Maatwerk B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
009	Exact Alliances B.V.	Netherlands	delft	Defender	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
014	Grote Beer Software B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
017	Exact Corporate Services B.V.	Netherlands	Other	Not Applicable	Other	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
019	Alllicense Holding B.V.	Netherlands	delft	Midfielder	Netherlands	Other divisions	Unknown	Unknown	Unknown	Unknown	Unknown	Active
020	Kooijman software B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
021	Exact Educatie B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
022	Exact Netherlands B.V.	Netherlands	EMEA	Defender	International	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active

3. Select a division by clicking the hyperlink under the **Name** or **Code** column. You will see the division card.

4. Next, click **Divisions** under the **Groups** section. You will see the following page:

5. If you already have a linked division, click the hyperlink under the **Total no. of shares held** column under the **Ordinary shares** section. You will see the following page:

> **Note:**
> If you do not have linked divisions, you need to create the participation and share purchase transactions. For more information, see *3.3.1 Creating participation*.

6. Click **New** at the **Share purchases & disposals** title bar.
7. Then, create the share purchase transactions as described in *3.3.1 Creating participation*. If the shareholder in the division purchases more than 50% of the shares, you will see the following message once you click **Save**.

8. Click **Yes** to add the division in your financial consolidation, **No** to exclude the division from financial consolidation, or **Cancel** to exit.

3.3.7 Defining consolidation methods

Once you have included a child division for financial consolidation, you need to define the methods used. The system supports the **Full** and **Proportional** consolidation methods. For example, if the **Full** consolidation method is used and there is EUR 100 in a G/L account of the division, the amount will be EUR 100 after consolidation. If the subsidiary is not wholly owned, adjustments must be made to register minority/third party interest after which the consolidation amount will be less than EUR 100. If the **Proportional** method is used, the percentage of ownership of the shareholder will be taken into consideration. If the percentage of ownership is 50%, the amount will be EUR 50 after consolidation.

To define consolidation methods, function right **62 – Maintain subsidiaries** and shareholders is required. Users with the **General manager** and **Controller** roles have this function right.

Business benefit:
The **Consolidation Setup** allows you to register and consolidate based on various relationships. The percentage of ownership is based on the detailed share register levels and you can consolidate fully or proportionally. At this stage, you will have a clear overview of all participants.

Note:
The estimated time required to define the consolidation method for a child division is approximately 2 minutes.

To define consolidation methods:

1. Go to Modules → Financial → Setup → Organization → Divisions. You will see the following page:

2. Under the **Criteria** section, define the relevant criteria and click **Show** to display the divisions. The results are as follows:

Code ▲∨	Name ∧∨	Country ∧∨	Group ∧∨	League ∧∨	Market ∧∨	Statutory Report ∧∨	External Reporting ∧∨	Layout 6 ∧∨	Layout 7 ∧∨	Layout 8 ∧∨	Layout 9 ∧∨	Status
000	Exact Holding N.V.	Netherlands	Other	Not Applicable	Other	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
003	Exact Online B.V.	Netherlands	delft	Striker	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
005	Exact Retail B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
006	Exact Online Development B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
008	Exact Maatwerk B.V.	Netherlands	delft	Not Applicable	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
009	Exact Alliances B.V.	Netherlands	delft	Defender	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
014	Grote Beer Software B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
017	Exact Corporate Services B.V.	Netherlands	Other	Not Applicable	Other	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
019	Alllicense Holding B.V.	Netherlands	delft	Midfielder	Netherlands	Other divisions	Unknown	Unknown	Unknown	Unknown	Unknown	Active
020	Kooijman software B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
021	Exact Educatie B.V.	Netherlands	delft	Midfielder	Netherlands	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active
022	Exact Netherlands B.V.	Netherlands	EMEA	Defender	International	Fiscal Unity	Unknown	Unknown	Unknown	Unknown	Unknown	Active

3. Select a division by clicking the hyperlink under the **Name** or **Code** column. You will see the division card.
4. Next, click **Divisions** under the **Groups** section. You will see the following page:

Financial: Divisions

Refresh | New | Historical | Close

Shareholder 003 — Exact Online B.V.

Ordinary shares

Divisions	Total no. of shares held	Total % owned to date	Include: Consolidation	Method: Consolidation	Remark	
014 - Grote Beer Software B.V.	-.--	-.--			No transactions present.	✕
126 - Exact Software Belgium N.V.	1	100				

5. Click a hyperlink under the **Total no. of shares held** column. You will see the following page:

Financial: Investments

Refresh | Close

∧ Criteria

Shareholder 003 — Exact Online B.V.

∧ General

Division 126 — Exact Software Belgium N.V.   Type of shares Ordinary shares

Consolidation   New

Effective from: Year / Period	To: Year / Period	Include	Method
2010 / 7	/		

Share purchases & disposals   New

Date	No. of shares purchased/ disposed	Total no. of shares held	Total no. of shares issued	Total % owned to date
15-07-2010	1	1	1	100

6. Click **New** at the **Consolidation** title bar. You will see the following page:

Financial: Divisions: Consolidation

| Save | | Close |

Shareholder	003 — Exact Online B.V.
Division	126 — Exact Software Belgium N.V.
Include	☑
Effective from: Year / Period	1993 ▾ 1 (01-01-1993 to 31-01-1993)
To: Year / Period	▾
Method	Full ▾

7. Select the year and type the period from which to start the consolidation at **Effective from: Year / Period**.
8. At **To: Year / Period**, select the year and type the period when the consolidation ends.
9. Next, select the preferred method at **Method**.
10. Click **Save** to save the information, or **Close** to exit.

3.4 G/L AND PERIODS MAPPING

Before consolidating financial reports, you need to ensure that a reporting entity and its subsidiaries have mapped their G/L accounts and financial periods. This is because different divisions may define their financial periods differently. For example, some divisions may define financial periods based on a monthly frequency and other divisions based on quarterly, half-yearly, and other frequencies. The same is applicable to G/L accounts where different divisions may define their G/L accounts with different names and account numbers.

3.4.1 Mapping G/L accounts

To be able to translate the division information to the consolidation levels (corporate and if available, reporting entities), the local G/L account schema should be mapped to the consolidation levels. In the financial consolidation process, if you do not perform the G/L account mapping, then the G/L account for that particular division will not be consolidated into the corporate or reporting entity's book.

However, before you can map the G/L accounts, the following prerequisites must be fulfilled:

- Holding level must define its own Chart of Accounts (G/L schema).
- Each subsidiary (division) must have its own Chart of Accounts for local business operation.
- The division G/L's should be linked to the corporate schema as this is a reporting model by itself

To link general ledger accounts, function right **12 – Maintain division G/L** is required. Users with the **General manager** and **Controller** roles have this function right.

Business benefit:
Every division can work with their own G/L account schema, and reporting is done in both corporate and local G/L account schemas.

Note:
The estimated time required to map a division's G/L accounts to a reporting entity's G/L accounts is approximately 2 minutes. Take note that this is dependent on the number of G/L accounts which you want to map.

To map G/L accounts:

1. Go to Modules → Financial → Setup → Master data → G/L Accounts or Modules → Financial → Reports → G/L Accounts → Chart of Accounts. You will see the following page:

2. Select **Division** at **Report** under the **Criteria** section. The **Mapping** button will be available.

3. Next, at **G/L Account**, type or select the division whose G/L accounts you want to map, and then click **Mapping**. You will see the following page:

4. Under the **Criteria** section, type or select the reporting entity you want to map the G/L accounts to at **Reporting entity**.

> **Note:**
> You need to ensure that there is a consolidation relationship between a division and the respective reporting entity for doing the mapping.

5. Click **Show** to display the G/L accounts.

G/L (Division) B/S	Type	Subtype	Debit/Credit	Blocked	G/L (Reporting entity)		XRate type	XRate date
0100 - Goodwill	B/S	Neutral account	Debit		0100	Goodwill	Closing ∨	
0350 - Buildings owned (new)	B/S	Asset account	Debit		0350	Buildings owned (new)	Closing ∨	
0355 - Accumulated depreciation buildings and leasehold improvement	B/S	Asset account	Debit		0355	Accumulated depreciation buildings and leasehold improvement	Closing ∨	
0400 - Furniture and fixtures	B/S	Asset account	Debit		0400	Furniture and fixtures	Closing ∨	
0405 - Acc depr furniture	B/S	Asset account	Credit		0405	Acc depr furniture	Closing ∨	
0410 - Depreciation Furn. & Fixt	B/S	Asset account	Debit		0410	Depreciation Furn. & Fixt	Closing ∨	
0450 - Furniture & fixtures (new)	B/S	Asset account	Debit		0450	Furniture & fixtures (new)	Closing ∨	
0500 - Cars	B/S	Asset account	Debit		0500	Cars	Closing ∨	
0505 - Acc depr cars	B/S	Asset account	Credit		0505	Acc depr cars	Closing ∨	

6. Under the **G/L (Reporting entity)** column, type or select the G/L accounts of the reporting entity that you want to link to.
7. Click **Save** to save the information, or **Close** to exit.

> **Note**:
> All fields with the "**!**" icon are mandatory.

> **Tip:**
> Click **Historical mappings** to view mappings done previously.

3.4.2 Defining exchange rate types

When mapping G/L accounts, you need to define the exchange rate type for each G/L. You can choose from **Average**, **Closing**, or **Historical**. By default, the exchange rate type is **Closing** if the division G/L is **Balance Sheet**, and **Average** if the division G/L is **Profit & Loss**.

To define exchange rate types, function right **12 – Maintain division G/L** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to define the exchange rate types for a division is approximately 1 minute.

To define exchange rate types:

1. From the previous page, select the type of exchange rate under the **XRate type** column.

2. Click **Save** to save the information, or **Close** to exit.

> **Note:**
> If **Historical** is selected at the **XRate type**, the **XRate date** becomes available and is mandatory.

> **Tip:**
> The exchange rate type and exchange rate date are important when doing currency translation.

3.4.3   Mapping financial periods

To cater for automatic translation in consolidation reporting involving subsidiaries using different financial year/periods patterns, the period mapping functionality is used to link a division's periods to the periods of its reporting entity(s).

To map financial periods, function right **195 - Maintain years/periods** is required. Users with the **Controller** role have this function right.

> **Business benefit:**
> Every division can work with their own financial periods.

> **Note:**
> The estimated time required to map a division's financial periods to a reporting entity's financial periods is approximately 2 minutes. Take note that this is dependent on the mapping methods you are using, whether you are mapping from one period to another period, from several periods to a single period or map all the periods at one time.

To map financial periods:

1.   Go to Modules → Financial → Setup → General → Financial years / Periods. You will see the following page:

2.   Under the **Criteria** section, type or select a division at **Division**, and click **Show** to display the available financial years and periods.

The results are as follows:

Year ▲∨	Period	Start date	End date	Period mapping
1993	12	01-01-1993	31-12-1993	🔗
1994	12	01-01-1994	31-12-1994	🔗
1995	12	01-01-1995	31-12-1995	🔗
1996	13	01-01-1996	31-12-1996	🔗
1997	13	01-01-1997	31-12-1997	🔗
1998	13	01-01-1998	31-12-1998	🔗
1999	13	01-01-1999	31-12-1999	🔗
2000	13	01-01-2000	31-12-2000	🔗
2001	13	01-01-2001	31-12-2001	🔗
2002	13	01-01-2002	31-12-2002	🔗
2003	12	01-01-2003	31-12-2003	🔗
2004	12	01-01-2004	31-12-2004	🔗
2005	12	01-01-2005	31-12-2005	🔗
2006	12	01-01-2006	31-12-2006	🔗
2007	12	01-01-2007	31-12-2007	🔗
2008	12	01-01-2008	31-12-2008	🔗
2009	12	01-01-2009	31-12-2009	🔗
2010	12	01-01-2010	31-12-2010	🔗
2011	12	01-01-2011	31-12-2011	🔗

3. Next, click a link under the **Period mapping** column, and then click **Map** to display the financial periods. You will see the following page:

Period mapping

Map | Map all | Close

Division

Division 000 — Exact Holding N.V.
Year 1993

Reporting entity

Division [   ] 🔍 ⚠
Year [∨]

Period	Start date	End date

Period	Start date	End date

4. Type or select the division at **Division** under the **Reporting entity** section to display its defined periods.

Period mapping   ☆ ❓

Map | Map all | Close

Division

Division 000 — Exact Holding N.V.
Year 1993

Reporting entity

Division 036   🔍 Exact Asia Development
Year 2010 ∨

Period	Start date	End date		Period	Start date	End date
☐ 1	01-01-1993	31-01-1993	◯ 1	01-01-2010	31-01-2010
☐ 2	01-02-1993	28-02-1993	◯ 2	01-02-2010	28-02-2010
☐ 3	01-03-1993	31-03-1993	◯ 3	01-03-2010	31-03-2010
☐ 4	01-04-1993	30-04-1993	◯ 4	01-04-2010	30-04-2010
☐ 5	01-05-1993	31-05-1993	◯ 5	01-05-2010	31-05-2010
☐ 6	01-06-1993	30-06-1993	◯ 6	01-06-2010	30-06-2010
☐ 7	01-07-1993	31-07-1993	◯ 7	01-07-2010	31-07-2010
☐ 8	01-08-1993	31-08-1993	◯ 8	01-08-2010	31-08-2010
☐ 9	01-09-1993	30-09-1993	◯ 9	01-09-2010	30-09-2010
☐ 10	01-10-1993	31-10-1993	◯ 10	01-10-2010	31-10-2010
☐ 11	01-11-1993	30-11-1993	◯ 11	01-11-2010	30-11-2010
☐ 12	01-12-1993	31-12-1993	◯ 12	01-12-2010	31-12-2010

5. Select the relevant check box(es) under the **Division** and **Reporting entity** sections.
6. Click **Map** to link the selected periods, **Map all** to link all periods from the division to its reporting entity with the same frequency (monthly, quarterly, half-yearly, and others), or **Close** to exit.

Note:
You do not need to make any selection before clicking **Map all**.

Note:
All fields with the "**!**" icon are mandatory.

Tip:
You can link a single period of a division to a single period of a reporting entity or a number of periods of a division (for example, a division that has a monthly frequency) to a single period of a reporting entity (for example, a reporting entity which has a quarterly frequency).

4. FINANCIAL CONSOLIDATION PROCESS

In any multi-company organization, financial consolidation is a critical foundation for the performance management process. With the financial consolidation process, you will have a consistent view of your enterprise's financial position across complex organizational setups as it allows you to view consolidation worksheets, create adjustment and elimination entries, and generate the consolidated financial statements, among others.

4.1 EXCHANGE RATES MAINTENANCE

You can create and maintain exchange rates of multiple active currencies. This is important if your business transactions involve different currencies and these currencies have fluctuating exchange rates.

4.1.1 Creating and maintaining exchange rates

You can create and maintain the period and daily exchange rates of a currency.

To create and modify exchange rates, function right **36 – Maintain Currencies Period Rates** and function right **51 – Maintain Exchange Rates** are required. Users with the **General manager** and **Controller** roles have these function rights.

> **Note:**
> The estimated time required to create or modify an exchange rate of a currency is approximately 2 minutes.

To create and maintain exchange rates:

1. Go to Modules → Financial → Setup → General → Currencies, and click **Show**. You will see the following page with a list of currencies and their exchange rates displayed based on the selected date at **Date**:

	Code ▲∨	Description	Exchange rate	Active
☐	ADP	Andorra Peseta	1 EUR = 1.000000 ADP	✔
☐	AED	Dihram - United Arab Emirates	1 EUR = 5.012540 AED	✔
☐	AFA	Afghani		✘
☐	ALL	Lek		✘
☐	AMD	Armenian Dram		✘
☐	ANG	Netherlands Antillian Guilder	1 EUR = 2.429170 ANG	✔
☐	AOA	Kwanza		✘
☐	AOK	Kwanza		✘
☐	ARA	Austral		✘
☐	ARS	Argentina Peso	1 EUR = 4.264600 ARS	✔
☐	ATS	Schilling	1 EUR = 13.760300 ATS	✘
☐	AUD	Australian Dollar	1 EUR = 1.000000 AUD	✔
☐	AWG	Aruban Guilder		✘
☐	AZM	Azerbijan Manat		✘
☐	BAM	Convertible Marks		✘

2. Next, select a currency by clicking the hyperlink under the **Code** column. You will see the following page:

3. Under the **Exchange rates** section, select **Period** to create period exchange rates or **Daily** to create daily exchange rates. Then, click **New**. You will see the following page if **Period** is selected:

4. Under the **General** section at **Year**, type the year to create the period exchange rates for that year.
5. Type the period to create the period exchange rates for that period at **Period**.
6. Under the **Rates** section at **Average**, type the average exchange rate of the currency in relation to the default currency.
7. Type the closing exchange rate of the currency in relation to the default currency at **Closing**.
8. Type the budget exchange rate of the currency in relation to the default currency at **Budget**.
9. If **Daily** is selected under the **Exchange rates** section, you will see the following page:

10. Type or select the date at **Date** under the **Date** section.
11. Type the exchange rate at **Exchange rate** under the **Rates** section.
12. Click **Save** to save the information, or **Close** to exit.

Tip:
If the currency is inactive, you will still be able to view the exchange rate at the second page when you click **Show**. If the currency is active, you will be able to view and create the exchange rate of the currency at Modules → Financial → Reports → VAT / Currencies → Exchange rates.

4.1.2   Importing exchange rates

Besides manually creating and maintaining exchange rates, it is also possible to import the exchange rates of currencies.

However, this is only applicable to import the daily exchange rate figures.

To import daily exchange rates, function right **33 – Maintain Currencies** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to import an exchange rate .CSV file is approximately 1 minute.

To import exchange rates:

1. Go to Modules → Financial → Setup → General → Currencies, and click **Import: XRate**. You will see the following page:

2. Type or select the date at **Date**. By default, the current date is displayed.
3. At **File**, click **Browse** to search and select the import file which is in CSV format.
4. Click **Import** to import the information, or **Close** to exit.

> **Tip:**
> When you create the CSV file for the exchange rates in Microsoft Excel, you should type the targeted currency codes in the first column, followed by the currency description in the second column, and the exchange rates of the targeted currencies against the default currency in the third column. The delimiter should be a comma.
>
> See the following example:

	A	B	C
1	AED	United Arab Emirates Dihram	4.793166
2	USD	US Dollar	1.25
3	GBP	Pound Sterling	0.67072
4	JPY	Japanese Yen	166.097
5	CAD	Canadian Dollar	1.43162
6	MYR	Malaysian Ringgit	4.70121

4.2 GETTING FINANCIAL DATA INPUT

Financial data input is necessary for the consolidation process. You can enter transactions manually, import detailed financial transactions, and import period balances to get financial data input.

4.2.1 Entering financial data

All balance sheet and profit and loss entries can be entered at a single entry point in Exact Synergy Enterprise. Here, you can select the journal you want to make your entries in and fill in an entry line for the balance sheet and another for profit and loss.

- To view the financial entries, function right **137 - View financial entries** is required.
- To create the financial entries, function right **136 - Allows to create financial entries** is required.
- To process the financial entries, function right **335 - Allows to approve and/or process financial** entries is required.

Users with the **General manager**, **Controller**, and **F&A staff** roles have these function rights.

To enter financial data:

1. Go to Modules → Financial → Entry → Transactions → Entries. You will see the following page:

2. At **Division**, type or select the division you want to create transaction entries for. By default, the default division will be displayed.
3. Then, select the type of journal at **Entry screen** and the type of transaction at **Type**.
4. Press the TAB key to go to the first line of the balance sheet to fill in the details of the financial transaction.
5. Tab through and enter the financial transaction for the Profit and Loss Statement by filling in the relevant columns at the second line.
6. Click **Process** to process the transaction, or **Close** to exit.

Note:
Different entry pages selected will display different fields. The **Delete** button is available once you press TAB through **Entry no.**, and the **Process** button becomes available once you press TAB through the first line to create the second line for the entry in **Profit & Loss**.

Tip:
All entry pages can be customized at Modules → Financial → Setup → General → Templates → Entry page. All unprocessed entries will be displayed at Modules → Financial → Entry → Transactions → Process and processed entries at Modules → Financial →Entry → Transactions → Process: Result.

4.2.2 Importing detailed financial transactions

It is possible to import detailed financial transactions that have been exported from Exact Globe or from other systems if the transactions are in the eExact XML schema. All users can upload XML files.

Business benefits:
There is seamless integration with Exact Globe Next and no double data entry. When you import every detail of a financial transaction centrally, the same figures are available locally. Also, the same analysis can be performed. Through viewing (drill downs) of the lowest level of detail, the origin of an amount is always clear.

Note:
The estimated time required to import the detailed financial transactions in an XML file is approximately 2 minutes.

To import detailed financial transactions:

1. Go to Modules → System → Setup → XML → Import. You will see the following page:

2. Under the **Data** section at **Topic**, type or select the topic of your import function.
3. At **Division**, type or select the division you want the transactions imported for.
4. Next, at **File**, click **Browse** to search and select the exported XML file.
5. Click **Import** to import the file, **Validate** to validate the file, or **Close** to exit.

Note:
All fields with the "**!**" icon are mandatory.

4.2.3 Importing period balances

There are situations where you may decide to import period-end figures instead of fully detailed transactions. In this instance, your data will not be delivered in the eExact XML schema. The following must be in place before data can be imported:

- The import file must be in the specified text format. The file format must be an ASCII file with delimiters ",", ":", or ";".
- One import file should only contain period end figures for one division. However, the file may contain multiple financial periods.
- Amounts in the file should be in the default currency of the division.

To import financial data, function right **136 – Allows to create financial entries** is required. Users with the **General manager**, **Controller**, and **F&A staff** roles have this function right.

> **Business benefits:**
> This allows for easy importing of data in a simple format. Everyone can work with Microsoft Excel so every division can supply the data in the right way. All imported files are stored centrally, so all source data is always available for proper audit trail. You can import year-to-date figures so Exact Synergy Enterprise automatically calculates the corresponding period figures. There is also no double entry.

> **Note:**
> The estimated time required to import the period balances in an ASCII file is approximately 2 minutes.

To import period balances:

1. Go to Modules → Financial → Entry → Transactions → Import financial data. You will see the following page:

2. Under the **Data** section at **Division**, type or select the division you want to import the period balances for.
3. Select the year for which to import the period balances at **Year**.
4. Then, select the period at **Period** for which to import the period balances.

> **Note:**
> Steps 3 and 4 are optional since this data can also be in the file itself.

5. Select the required options at **Delimiter** and **Type**, respectively.
6. At **File**, click **Browse** to search and select the file to import.
7. Then, click **Import** to import the information, or **Close** to exit.

Tip:
The import function will be able to recognize the fields when they are provided in the format like in the following examples:

- 2007;01;1300;CC123;CU123;200000.00 —no double quotes used.
- "2007","01","1300","CC:123","CU,123","20,0000.00" — all fields are distinguished using double quotes.
- 2007;01;1300;"CC;123";CU123;"20,0000.00" — some fields are distinguished using double quotes.

4.3 CLOSING FINANCIAL PERIODS

Before the execution of consolidation processing, you must ensure that the accounting period for that particular reporting entity and reporting divisions are closed.

To open or close financial years/periods, function right **228 – Allows to close/open years/periods** is required. Users with the **General manager** and **Controller** roles have this function right.

To close financial periods:

1. Go to Modules → Financial → Setup → General → Financial years / Periods. You will see the following page:

2. Under the **Criteria** section, type or select a division at **Division**.
3. Next, click **Show** to display the years for the division. The results are as follows:

Year ▲∨	Period	Start date	End date	Period mapping
1993	12	01-01-1993	31-12-1993	🔗
1994	12	01-01-1994	31-12-1994	🔗
1995	12	01-01-1995	31-12-1995	🔗
1996	13	01-01-1996	31-12-1996	🔗
1997	13	01-01-1997	31-12-1997	🔗
1998	13	01-01-1998	31-12-1998	🔗
1999	13	01-01-1999	31-12-1999	🔗
2000	13	01-01-2000	31-12-2000	🔗
2001	13	01-01-2001	31-12-2001	🔗
2002	13	01-01-2002	31-12-2002	🔗
2003	12	01-01-2003	31-12-2003	🔗
2004	12	01-01-2004	31-12-2004	🔗
2005	12	01-01-2005	31-12-2005	🔗
2006	12	01-01-2006	31-12-2006	🔗
2007	12	01-01-2007	31-12-2007	🔗
2008	12	01-01-2008	31-12-2008	🔗
2009	12	01-01-2009	31-12-2009	🔗
2010	12	01-01-2010	31-12-2010	🔗

4. Click a hyperlink under the **Year** column to display the periods for that year. You will see the following page:

5. Then, click a hyperlink under the **Period** column to display the selected period. You will see the following page:

Note:
If the division selected is a reporting entity, it will be listed first in the **Results** section, followed by its subsidiaries. If the division selected is not a reporting entity, only the division will be displayed.

6. Select the check box of a division and click **Close (Period)** to close the selected period for that division, click **Reopen (Period)** to reopen a closed period, or click **Close** to exit.

Note:
All fields with the "**!**" icon are mandatory.

Caution!
If you want to reopen a period, for example period 7, period 8 - 12 should be reopened first. This is because the opening balance correction entry will be calculated based on the cumulative amount from the previous period. Therefore, if any of the in-between periods are being reopened, the opening balance correction entries will be affected if the previous periods are not reopened first. The opening balance correction entry makes sure that at any time the balances in the corporate currency are up to date.

4.4 CHECKING CONFIGURATION

Prior to executing the financial consolidation process, it is possible to run the prerequisites checking to ensure all the required configurations have been done. In this functionality, configurations that will be checked include the period mapping, general ledger (G/L) accounts mapping, currency exchange rate, percentage of ownership as well as closed accounting period setups.

To run the configurations checking process, function right **46 – Check configuration financial consolidation** is required. Users with the **General manager** and **Controller** roles have this function right.

> **Note:**
> The estimated time required to complete the configurations checking process for a reporting entity is approximately 2 minutes. Take note that this is dependent on the number of configurations that you need to check.

To check configurations:

1. Go to Modules → Financial → Reports → Financial consolidation → Check configuration. You will see the following page:

2. Under the **Criteria** section at **Reporting entity**, type or select a reporting entity. By default, the default division is displayed.
3. Then, select a year and type a period at **Year / Period**.
4. Click **Show** to display the configuration for the reporting entity at the specific period of the year. You will see the following page:

> **Note:**
> Once you have clicked **Show** to view the configuration checking results, you will see the checking results for every child division that is linked to the reporting entity. For every prerequisite that has not been fulfilled, you can click the links under each column to set up the required configurations.

5. Under the **Period mapping**, **G/L mapping**, and **Exchange rates** columns, a green check mark and the number under the **% of ownership** represent the completion of prerequisite configurations. A red cross represents incomplete or missing prerequisite configurations. Click the red cross to correct or add missing prerequisites. For **G/L mapping**, click the **Incomplete** hyperlink or the hyperlink of the error message (for example, **XRate type**) to correct or add prerequisites.
6. Under the **Check closed periods** column, select the **Open** hyperlink to close the financial period that you want to perform the financial consolidation process on.
7. Click **Close** to exit.

4.5   DATA TRANSLATION

The divisions in a group of enterprises that are required to present a consolidated statement need to present the statement in the presentation currency of the (sub) group and the G/L account schema of this (sub) group. If the underlying divisions have a different functional currency or G/L account schema, then a translation needs to be made to the (sub) group's presentation currency. Even if the currency and G/L account schema is the same as the (sub) group, this process needs to be done because the figures will be taken from the data translation when generating the consolidated financial report. After checking that all the prerequisites are fulfilled, you can run the data translation process. This function translates the final amount to the currency you want to use for reporting and data translation depends on the G/L mapping and percentage of ownership.

To translate the financial data to the presentation currency of the reporting entity**,** function right **43 - Generate consolidation** worksheet is required. Users with the **General manager** and **Controller** roles have this function right.

To translate data:

1.   Go to Modules → Financial → Reports → Financial consolidation → Presentation currency translation. You will see the following page:

2.   Under the **Criteria** section at **Reporting entity**, type or select a reporting entity. By default, the default division is displayed.
3.   Select the required currency at **Presentation currency**.
4.   Select the data you want to display at **Show.**
5.   Select the data you want to translate at **Translate**.
6.   Select the type of transaction at **Type**. By default, the **Standard** check box is selected and disabled.
7.   Then, select a year and type a period at **Year / Period** respectively.
8.   Click **Show** to display all the divisions that are linked to the reporting entity and the results of the currency translation process check based on the defined criteria.
9.   Select a division and click **Start** to start the data translation process, or **Close** to exit.

> **Note:**
> **Start** will be enabled once **Show** is clicked.

> **Note**:
> All fields with the "**!**" icon are mandatory.

4.6   PREPARING FOR CONSOLIDATION

After you have performed the data translation process as described in *4.5 Data Translation*, now you can prepare for the consolidation process. At this stage, you can view the consolidation worksheet and create elimination entries or adjustment entries if required before the consolidation reporting.

4.6.1   Viewing consolidation worksheets

The consolidation worksheet functionality allows you to view the translated financial amounts of all child divisions which are to be included in the financial consolidation. With this functionality, you can define the criteria to view the input for the consolidated statements which include the periodical or cumulative amounts for the Balance Sheet or the Profit & Loss statements of the child divisions.

To view the consolidation worksheet, you need to have function right **42 - View consolidation worksheet**. Users with the **General manager** and **Controller** roles have this function right.

To view consolidation worksheets:

1.   Go to Modules → Financial → Reports → Financial consolidation → Consolidation worksheet. You will see the following page:

2.   Under the **Criteria** section at **Reporting entity**, type or select a reporting entity to view the translated figures for the reporting entity as well as all its child divisions.
3.   At **Year / Period**, select the financial year and type the financial period of the reporting entity to view the translated figures for the defined period.
4.   At **Show**, select **B/S** to view the balance sheet figures or **Profit & Loss** to view the profit and loss statement figures. Alternatively, leave the field blank to view both the balance sheet and profit and loss figures.
5.   Select the presentation currency at **Presentation currency / Factor** to view the figures translated to the presentation currency. By default, it will show the presentation currency of the selected reporting entity. However you can still select other presentation currency as the list will display the currencies which have been translated to. Next, you can select the currency factor to view the translated amounts in factor of hundred, thousand, or million. By default, the system will show 1.00. For example, if the amount is EUR 200, it will be shown as EUR 200.00 in the consolidation worksheet.
6.   After you have defined all the criteria, click **Show** to display the translated financial amount of the child divisions and the reporting entity. See the following page which displays the financial amount in the consolidation worksheet.

Financial: Consolidation worksheet

Refresh · Reset · Entry · Close

⌃ Criteria

Reporting entity	036 ✕ 🔍 Exact Asia Development	Presentation currency / Factor	MYR ⌄ 1.00 ⌄
Year / Period	2014 ⌄ 7	View	Periodical ⌄
Show	Profit & Loss ⌄		

⇥ Results

		Division	036 - Exact Asia Development	Current elimination entries		Group statement
		Status	To be translated			
		% of ownership / Method				
G/L	Description			Debit	Credit	
Profit & Loss						
1111	cogs		0.00	0.00	0.00	0.00
4000	Gross salaries		0.00	0.00	0.00	0.00
4005	Social security charges		0.00	0.00	0.00	0.00
4010	Exceptional remunerations		0.00	0.00	0.00	0.00
4015	Personal target income		0.00	0.00	0.00	0.00
4020	Bonus		0.00	0.00	0.00	0.00
4025	Holliday allowance		0.00	0.00	0.00	0.00
4030	13th month		0.00	0.00	0.00	0.00
4035	Daily expense allowance		0.00	0.00	0.00	0.00
4040	Employer contr healthcare		0.00	0.00	0.00	0.00
4045	Employer contribution pension		0.00	0.00	0.00	0.00
4050	Contractors		0.00	0.00	0.00	0.00
4055	Employee insurances		0.00	0.00	0.00	0.00
4060	Temporary employment		0.00	0.00	0.00	0.00

The **Division** row displays the reporting entity as well as all the linked child divisions, while the **Status** row indicates whether the specific child division has been translated. At the **% of ownership / Method** row, you can see the percentage of ownership held by the reporting entity in each child division and the corresponding consolidation method. Under the **Current elimination entries** column, all the debit and credit adjustment and elimination entries that have been created and processed will be shown. For more information on creating elimination entries, see *4.6.3 Creating elimination entries*.

4.6.2 Creating adjustment entries

In some business scenarios, the reporting entity and its child divisions may use different reporting guidelines or accounting standards. For this reason, Exact Synergy Enterprise provides a functionality for you to create valuation correction entries or generally known as adjustment entries so that the financial reports can be adjusted to the corporate standards. For example, a child division may not record an asset depreciation entry in its financial statement but at the reporting entity level, this must be registered based on the reporting entity's accounting standards. With this functionality, the generated consolidated financial reports will comply with the corporate accounting standards.

To create adjustment entries, you need to have function right **136 - Allows to create financial entries**. Users with the **General manager**, **Controller**, and **F&A staff** roles have this function right.

> **Note:**
> The estimated time required to create an adjustment entry is approximately 2 minutes.

To create adjustment entries:

1. Go to Modules → Financial → Entry → Transactions → Entries. You will see the following page:

2. At **Division**, type or select the division which you want to make the adjustment entry.
3. For adjustment entries, you should create a specific entry template for consolidation adjustment so that you can use the same template for all the consolidation adjustment entries. You can do this at Modules → Financial → Setup → General → Templates / Entry screen.
4. Next, at **Entry screen / Type**, select the type of entry as **Fiscal**.
5. Click **Close** to save the entry.

> **Tip:**
> You can process entries at Modules → Financial → Entry → Transactions → Process and view entries that have already been processed at Modules → Financial → Entry → Transactions → Process: Result.

4.6.3 Creating elimination entries

When you are preparing for consolidation of the financial data from all the child divisions, there are certain entries that you need to create to avoid double counting. For example, the reporting entity has invested a total of EUR 500,000.00 share capital in its three child divisions; Division A, B, and C. Of the total, Division A gets EUR 200,000.00 and the amount is credited in its share capital G/L account. As for Division B and C, each gets EUR 180,000.00 and EUR 120,000, respectively. The amounts are credited in their share capital G/L account. In the consolidation worksheet under the **Group statement** column, the total amount of the share capital G/L account for the group will show a credit amount of EUR 1,000,000.00. The amount is calculated by adding the amount of the share capital of the reporting entity; Division A, Division B, and Division C (EUR 500,000.00 + EUR 200,000.00 + EUR 180,000.00 + EUR 120,000.00). However, this does not reflect the actual share capital of the consolidated group as the actual amount of share capital for the group is only EUR 500,000.00, which is the share capital amount distributed among the three child divisions. Hence, Exact Synergy Enterprise allows you to create elimination entries to cancel the extra amount shown in the consolidation worksheet. In general, the steps to create elimination entries are similar to the steps to create adjustment entries. However, the two apply to different business needs as mentioned in the examples of adjustment entry and elimination entry.

To create elimination entries, you need to have function right **30 - Create elimination entries**. Meanwhile, you also need function right **35 - Approve or process elimination entries** to process the elimination entries. Users with the **General manager** and **Controller** roles have these function rights.

> **Note:**
> The estimated time required to create an elimination entry is approximately 2 minutes.

To create elimination entries:

1. Go to Modules → Financial → Reports → Financial consolidation → Consolidation worksheet and click **Entry**. Alternatively, go to Modules → Financial → Reports → Financial consolidation → Elimination entries and click **New**. Via the first menu path, you can create the elimination entries while you are viewing the consolidation worksheet. This way, you can avoid missing out any elimination entry that is required when you view the translated figures for every G/L accounts of your child divisions on the consolidation worksheet.

2. Type or select the division that you want to make the elimination entry at **Division**.
3. At **Reporting entity**, type or select the reporting entity of the selected division that the elimination entry will be created for. By default, **Entry no.** will show **New** when you create an adjustment entry and before you press TAB to go to the entry lines. However, the system will automatically assign an entry number for the adjustment entry when you press TAB to go to the entry lines.
4. Select the **Reverse in next period** check box if you want the system to reverse the elimination entry automatically in the following period. Press TAB to go to the entry lines.
5. In the first entry line under the **Date** column, type the date of the elimination entry. By default, it will show the current date.
6. Under the **G/L** column, type or select the G/L account code of the reporting entity that you want to create the elimination entry in.
7. Type the description of the elimination entry under the **Description** column.
8. Under the **Presentation currency** column, type or select the presentation currency of the reporting entity.

9. Under the **Debit** or **Credit** columns, type the amount for the elimination entry. When you go to the subsequent entry line by pressing TAB, the corresponding double-entry amount will be automatically entered under the **Debit** or **Credit** columns.
10. In the subsequent entry line, type or select the G/L account code of the reporting entity that you want to create the corresponding double-entry under the **G/L** column.
11. Under the **Description** and **Presentation currency** columns, the description of the elimination entry you have typed and the presentation currency you have selected in the first entry line will be automatically displayed.
12. Click **Process** to process the elimination entry. Only processed entries will be shown in the consolidation worksheet under the **Current elimination entries** column. For more information, see *4.6.1 Viewing consolidation worksheet.*
13. Alternatively, you can choose not to process the elimination entry first by clicking **Close** to save the entry.

See the following picture of an elimination entry created based on the share capital example described earlier:

For example, you can create an elimination entry to cancel the amount invested in Division 000 (assume Division 000 as Division A in the share capital example) from the share capital G/L account by debiting the EUR 200,000.000 in the share capital G/L account. For the corresponding double-entry, credit the investment G/L account with EUR 200,000.00. Repeat steps 1–13 to create elimination entries for other child divisions. For example, Division B and C contain amounts of EUR 180,000.00 and EUR 120,000.000, respectively. By creating these elimination entries and processing them, the group statement amount for the share capital G/L account can be corrected from EUR 1,000,000.00 to EUR 500,000.00.

> **Note**:
> All fields with the "**!**" icon are mandatory.

> **Tip:**
> You can create multiple elimination entries at one time by repeating steps 5–11 and pressing TAB to move to the subsequent entry lines and enter the information for the elimination entries under the related columns.

To view and process multiple elimination entries:

1. Go to Modules → Financial → Reports → Financial consolidation → Elimination entries to view the adjustment entries you have created. To do this, you need to have function right **31 - View elimination entries**. Users with the **General manager** and **Controller** roles have this function right.

2. Under the **Criteria** section at **Reporting entity**, type or select the reporting entity that the elimination entries have been created for.
3. Type or select the division at **Division** to view the elimination entries created for the division. Leave the field blank to view the elimination entries created for all the divisions by the selected reporting entity.
4. At **Year / Period**, select the financial year and type the period to view the elimination entries created during the defined financial year and period.
5. Select **Unprocessed** or **Processed** at **Status** to view the unprocessed or processed elimination entries. Leave the field blank to view both the unprocessed and processed elimination entries.
6. At **Presentation currency**, select the presentation currency of the reporting entity that you have created the elimination entries in.
7. Click **Show** to display the elimination entries based on the defined criteria.

8. Under the **Entry no.** column, click the hyperlink of an entry number to see the elimination entries created with the entry number. This is the automatically-generated entry number when you create the elimination entries as described in step 3 in *To create elimination entries under 4.6.3 Creating elimination entries.*

In the example, click "4586" under the **Entry no.** column.

9. You will see all the unprocessed entries created under the entry number 204. You can edit the entries in the entry lines if required or delete any particular line by clicking ✖ **Delete** at the entry lines.
10. Next, click **Process** to process the entries. The processed elimination entries will be shown under the **Current elimination entries** column in the consolidation worksheet. For more information, see *4.6.1 Viewing consolidation worksheet.*

Note:
All fields with the "**!**" icon are mandatory.

Tip:
For processed elimination entries, you can reopen the entries by clicking **Reopen** after you have clicked a processed entry number on the page shown in Figure 2. Next, make necessary changes to the entries, and then click **Process** again to reprocess the entries after making the changes.

4.7   GENERATING CONSOLIDATED FINANCIAL STATEMENTS

After you have viewed the translated financial data and created the necessary adjustment and elimination entries in the consolidation worksheet as described in *4.6 Preparing for Consolidation*, you can now generate the consolidated financial statements. This is the final step in the financial consolidation process.

To generate the consolidated financial statements, you need to have function right **43 - Generate consolidation worksheet**. Users with the **General manager** and **Controller** roles have this function right.

To generate consolidated financial statements:

1.   Go to Modules → Financial → Reports → Financial consolidation → Consolidation worksheet.
2.   Repeat steps 2–5 in *4.6.1 Viewing consolidation worksheet* to view the translated financial data in the consolidation worksheet.
3.   If you need to create any adjustment or elimination entry in the consolidation worksheet, follow steps 1–12 in *4.6.2 Creating adjustment entries* and steps 1–12 in *4.6.3 Creating elimination entries*.
4.   In the **Financial: Consolidation worksheet** page, click **Refresh** and the system will recalculate the amount under the **Group statement** column based on the current/cumulative elimination entries amount.

5.   Click **Generate** to generate the consolidated financial statements based on the final group translated and adjusted amount. If the system detected that the consolidated financial statements have already been generated for the defined financial year and period, you will see this message "Group statement already generated for the selected year/period. Do you want to overwrite existing data?" Click **Yes** to continue the process. The latest group statement amount will overwrite the existing consolidated data. Click **No** to not generate the data.

Note:
To generate the group statement, you need to have both the balance sheet and the profit and loss statement displayed on page. In other words you should leave the **Show** field empty.

5. FINANCIAL CONSOLIDATION REPORTING

Financial consolidation reporting is the purpose of the financial consolidation process where you can now view the consolidated financial statements, particularly the consolidated balance sheets and the consolidated profit and loss statements of your company.

With the financial consolidation functionality, you can easily retrieve and view the consolidated financial reports for the ultimate holding company and also every reporting entity in the consolidation structure. In this chapter, you will be guided to view the consolidation structure, listing of ownership, consolidated financial statements which includes the consolidated balance sheet and profit and loss statement, as well as historical reports.

5.1 VIEWING CONSOLIDATION STRUCTURE

You can obtain an overview of the consolidation structure in a chart that displays the whole structure in multiple groups and levels. The consolidation structure shows the main shareholders within the whole group and their respective child divisions that are included in the financial consolidation from the defined effective year and period. With this functionality, you can view the consolidation structure for any reporting entity within a defined financial year and period for business reporting purposes.

Business benefits:
With the consolidation structure, you can have an overview of:

- divisions applicable for financial consolidation
- intermediate consolidations
- presentation currencies of reporting entities, and
- main shareholders in the different groups of divisions in the consolidation structure.

To view consolidation structures:

1. Go to Modules → Financial → Reports → Financial consolidation → Consolidation structure. You will see the following page:

2. Under the **Criteria** section, type or select the reporting entity at **Reporting entity** to view the consolidation structure for the selected reporting entity.
3. At **Year / Period**, select the financial year and type the financial period to view the consolidation structure at the defined financial year and period. The system will validate the period you have typed to ensure that the period exists in the selected financial year for the reporting entity.
4. For example, if the financial year 2008 for a reporting entity consists of four periods, you will get a message "Invalid year/period combination" if you type "5" to display the consolidation structure for that period. In addition, you should have mapped the divisions included in the consolidation to the financial periods of the reporting entity to enable the divisions to be displayed in the consolidation structure for the defined financial year and period of the reporting entity.

5. Click **Show** to display the consolidation structure based on the defined criteria. See the example of a consolidation structure in the following chart:
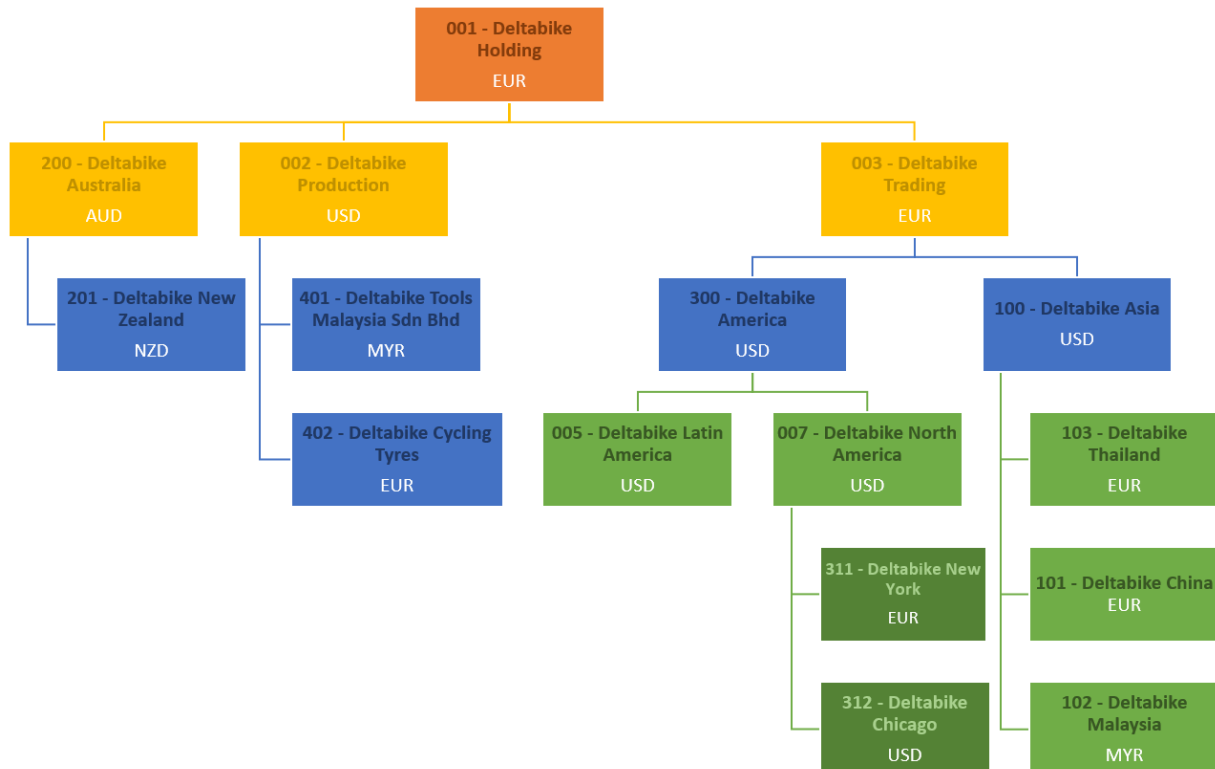
In this example, Division 001 is the main holding division of the consolidation structure. This division is also referred to as the ultimate holding company of the consolidation structure. If you click any reporting entity which is indicated by the division in the dark blue boxes to view the consolidation structure of the reporting entity, this division will appear at the top of the structure. Here, the reporting entities in the consolidation structure are Division 001, 002, Division 003, Division 300, and Division 007. With this functionality, you can view the consolidation structure of a smaller group of companies within the whole group.

For divisions to appear in the consolidation structure, the following criteria must be fulfilled:

- Only main shareholder-child division relationship with effective year/period that matches the defined financial year and period will be displayed. For example, if Division 311 has two shareholders which are Division 007 and Division 201, but the main shareholder for Division 311 has been set to Division 007 effective financial year 2006 and period 6, the consolidation structure is per the previous chart. However, if you have defined the main shareholder as Division 201 from the same effective year and period, then Division 311 will appear below Division 201 in the consolidation structure. At any point of time, you can only define one main shareholder for a division. For more information, see *3.3.4 Defining main shareholder*.
- Only child divisions that are included in the financial consolidation with effective year/period that matches the defined financial year and period will be displayed. For more information, see *3.3.6 Including child divisions in financial consolidation*.
- Periods mapping has been done for child divisions to their respective immediate reporting entities.

Note:
All fields with the "**!**" icon are mandatory.

5.2 VIEWING COMPANY OWNERSHIP LIST

As the consolidation structure shows only the main shareholder-child division relationship and child divisions that are included in the financial consolidation, child divisions that do not fulfill these criteria will not be shown in the consolidation structure due to clarity reason.

If all the child divisions are shown in the structure, the chart will be quite confusing with one child division linked to multiple shareholders in the consolidation structure. However, you can still see all the divisions a reporting entity has invested in regardless of whether the latter is a main shareholder or the divisions are included in the financial consolidation through the ownership listing.

To view ownership listings:

1. Go to Modules → Financial → Reports → Financial consolidation → Ownership listing. You will see the following page:

2. Under the **Criteria** section, type or select the reporting entity at **Reporting entity** to view the ownership listing for the selected reporting entity. Based on the reporting entity you have selected, the list will display all the divisions in which the reporting entity owns shares in, regardless whether the reporting entity is the main shareholder or the divisions are included in the financial consolidation.
3. At **Year / Period**, select the financial year and type the financial period to view the ownership listing at the defined financial year and period. The system will validate the period you have typed to ensure that the period exists in the selected financial year for the reporting entity.
4. Click **Show** to display the ownership listing based on the defined criteria.
5. In an alternative way to view the ownership listing from the consolidation structure, go to Modules → Financial → Reports → Financial consolidation → Consolidation structure to access the consolidation structure functionality.
6. Repeat steps 1 - 4 in *5.1 Viewing Consolidation Structure* to view the consolidation structure based on the defined criteria.
7. On the consolidation structure chart, right-click a reporting entity (division in dark blue boxes), and then click **Ownership listing**. See the following ownership listing if you right-click Division 001 in the example of the consolidation structure shown in *5.1 Viewing Consolidation Structure* and click **Ownership listing**.

In the overview, child divisions that are reporting entities themselves are indicated by a green check mark under the **Division: Reporting entity** column while those that are included in the financial consolidation is indicated by a green check mark under the **Include: Consolidation** column. The **Method: Consolidation** column displays the consolidation method for each child division while the **Cur**. column displays the default currency of each division.

> **Note**:
> All fields with the "**!**" icon are mandatory.

> **Tip:**
> You can view the listing ownership for other reporting entities by selecting the reporting entity at **Reporting entity**, and define the financial year and period at **Year / Period** to view the listing for the defined financial year and period. Next, click **Refresh** to update the list based on the last defined criteria.

5.3 VIEWING CONSOLIDATED FINANCIAL STATEMENTS

After you have created the consolidation adjustment and elimination entries, and generated the consolidated financial data from the consolidation worksheet as described in *4.6 Preparing for Consolidation*, you can now view the consolidated financial statements. In this functionality, you can view the consolidated balance sheet as well as the profit and loss statement for any reporting entity group and at any level of the consolidation structure. Apart from this main functionality, you can also perform the following tasks when viewing the consolidated financial statements:

- Consolidated balances based on the reporting entity's G/L schema
- Consolidated balances based on the corporate G/L schema
- Balances in different presentation currency
- Compare results between different financial periods
- Zoom in to view the balances per division and detailed transactions per division G/L
- Export the consolidated financial statements to Microsoft Excel

To view consolidated financial statements:

1. Go to Modules → Financial → Reports → Financial consolidation → Consolidated balance sheet or Modules → Financial → Reports → Financial consolidation → Consolidated profit and loss statement.

2. Under the **Criteria** section, type or select the reporting entity at **Reporting entity** to view the consolidated financial statements for the reporting entity.
3. Select the presentation currency at **Presentation currency/ Factor** to view the consolidated financial statements in the presentation currency, and then select the factor to view the financial figures in the selected factor.
4. Select **Reporting entity** at **G/L (Show)** to view the consolidated financial statements based on the reporting entity's G/L schema or **Corporate** to view the consolidated financial statements based on the corporate G/L schema. In the next field, select **Balance sheet** to view the consolidated balance sheet figures or **P&L** to view the consolidated profit and loss statement. To view both, leave the fields blank. By default, if you come from Modules → Financial → Reports → Financial consolidation → Consolidated balance sheet, this field will be shown as **Balance sheet** and if you come from Modules → Financial → Reports → Financial consolidation → Consolidated profit and loss statement, this field will be shown as **P&L**.
5. Select the **Show: Closing entries** check box to view the closing entries for each financial period.
6. Under the **Data** section, select the financial year and type the corresponding range of periods at **Year / Period** to view the consolidated financial figures in the defined year and periods.
7. To compare your consolidated financial figures with the consolidated financial figures of another year and periods, select the year and periods to be compared with at **Year / Period** under the **Compare with** section.
8. Click **Show** to display the consolidated financial figures based on the defined criteria.

The **Opening balance** column shows the closing balance of the previous period. This is also the opening balance amount for the next financial year. Meanwhile, the **Debit** and **Credit** columns show the total amounts for the periods selected. The **Balance** column shows the cumulative balance. It shows the periodic balances from the first available record and the opening balance.

To view the consolidated balances per division, you can click the G/L hyperlink in the balance sheet. However, this function is only available when the figures are displayed based on the reporting entity's GL schema. If the corporate G/L schema is used, there will not be any hyperlink to the detailed data per division. This is because the consolidation and adjustment entries are made in the reporting entity's G/L.

> **Note**:
> All fields with the "**!**" icon are mandatory.

> **Tip:**
> Click to export the consolidated financial statements to Microsoft Excel.

5.4 VIEWING HISTORICAL REPORTING

Historical reporting refers to the ability of the system to reproduce the financial reports of past financial years and periods at any time in the future regardless of the changes which may happen during the time gap. These changes could be changes in the chart of accounts used, accounting standards, periods mapping, currency exchange rates, presentation currency, percentage of ownership, and reporting structure in the organization. In Exact Synergy Enterprise, the historical reporting feature allows you to reproduce the consolidated financial statements of past financial years and periods, as well as to keep track of the changes that might affect the consolidation results such as the following:

- Historical G/L accounts mapping
- Historical shares movement records

5.4.1 Reproducing past consolidated financial statements

You can reproduce the consolidated financial statements of past financial years and periods using the historical reporting feature. It is important to be able to reproduce these reports consistently as required by the authorities at any time. For example, if your organization needs to apply a huge loan and the bank requires you to provide the consolidated financial reports for the past five years.

To reproduce past consolidated financial statements:

1. Go to Modules → Financial → Reports → Financial consolidation → Consolidated balance sheet or Modules → Financial → Reports → Financial consolidation → Consolidated profit and loss statement.

2. Under the **Criteria** section, type or select the reporting entity at **Reporting entity** to view the past consolidated financial statements for the reporting entity.
3. At **Presentation currency/ Factor**, select the presentation currency to view the consolidated financial statements in the presentation currency, and then select the factor to view the financial figures in the selected factor.
4. At **G/L (Show)**, select **Reporting entity** to view the consolidated financial statements based on the reporting entity's G/L schema or **Corporate** to view the consolidated financial statements based on the corporate G/L schema. In the next field, select **Balance sheet** to view the consolidated balance sheet figures or **P&L** to view the consolidated profit and loss statement. To view both, leave the field blank. By default, if you come from Modules → Financial → Reports → Financial consolidation → Consolidated balance sheet, this field will be shown as **Balance sheet** and if you come from Modules → Financial →Reports →Financial consolidation → Consolidated profit and loss statement, this field will be shown as **P&L**.
5. Select the **Show: Closing entries** check box to view the closing entries for each financial period.
6. Under the **Data** section, select the financial year and type the corresponding range of periods at **Year / Period** to view the consolidated financial figures in the defined year and periods. For example, if you want to reproduce the consolidated financial statements for year 2006 period 1 - 12, select 2006 at **Year**, and then type "1" and "12" at **Period**.

7. Click ⊞ to export the consolidated financial statements to a Microsoft Excel format.
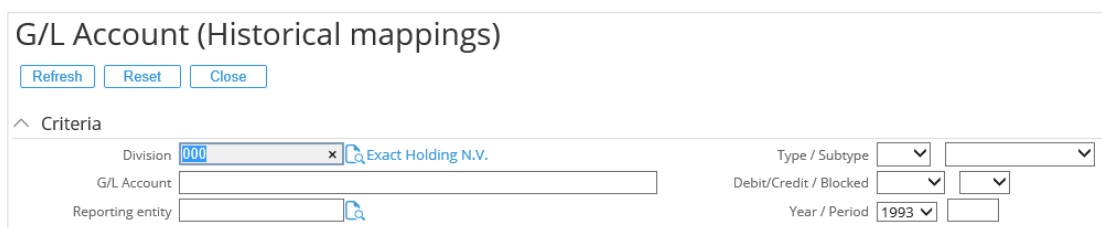

Note:
All fields with the "**!**" icon are mandatory.

5.4.2 Viewing historical G/L accounts mapping

Whenever you have reproduced a past consolidated financial statement which does not take into account of changes that happened during the time gap from the past to the current period, you may want to view the records of these changes. By viewing these changes, you can analyze more accurately when you compare the consolidated financial reports of different financial years and periods. In Exact Synergy Enterprise, you can view the historical records of the G/L accounts mapping between the child divisions and the reporting entities for specific financial years and periods.

To view historical records of G/L accounts mapping:

1. Go to Modules → Financial → Reports → G/L Accounts/ Chart of Accounts or Modules → Financial → Setup → Master data → G/L Accounts.
2. Under the **Criteria** section, select **Division** at **Report**, and then click **Mapping**. The **Mapping** button is available only if you select **Division** at **Report**.
3. On the **Financial: G/L Mapping** page, click **Historical mappings**. You will see the following page:

4. Under the **Criteria** section at **Division**, type or select a division to view the historical records of the mapped G/L accounts of this division.
5. To view the historical mapping records of a specific type and subtype of G/L accounts, select **B/S** to view the mapping records of the balance sheet type of G/L accounts or **P&L** to view the mapping records of the profit and loss type of G/L accounts at **Type**. Leave the field blank to see the mapping records of both types of G/L accounts. At **Subtype**, select the subtype of G/L accounts to view the mapping records of the G/L accounts that belong to the selected subtype. Leave the field blank to view the mapping records of all the subtypes of G/L accounts.
6. At **G/L Account**, type a G/L account code of the selected division. This is useful if you want to view the mapping records of a particular G/L account of the division. The system will validate that the defined G/L account exists for the selected division. If the G/L account does not exist for the division, you will see the message "No data found" once you click **Show** to display the mapping records. Leave the field blank to view the mapping records for all the G/L accounts.
7. At **Debit/Credit**, select **Debit** or **Credit** to indicate the type of G/L account balance. If you leave this blank, the mapped G/L accounts for both types of account balances will be displayed.
8. At **Blocked**, select **Yes** to display blocked G/L accounts or **No** to display unblocked G/L accounts. If you leave this blank, mapped G/L accounts that are blocked and unblocked will be displayed.
9. Type or select a reporting entity at **Reporting entity** for the selected division to display the G/L accounts which have been mapped to the G/L accounts of the selected reporting entity. Leave the field blank to view all the mapping records regardless of the reporting entity.
10. At **Year / Period**, select the year that you want to view the mapped G/L accounts at **Year**. By default, it will show the current year. Next, type the period in that selected year for which you want to view the mapped G/L accounts. Leave the field blank to view all the mapping records for all the periods in the selected year.

Click **Show** to view the G/L mapping records based on the defined criteria.

The information displayed is only for viewing purposes. You cannot edit the historical mapping records on this page. However, you can still remap the G/L accounts if you want. For more information, see *3.4.1 Mapping G/L accounts*.

Information such as the mapped G/L accounts, the year, period, date created, and others will be displayed. For example, if you have mapped the asset account of the division to the share capital account of the reporting entity, and then realized the mistake and remapped the asset account of the division to the asset account of the reporting entity, this will be reflected in the historical mapping records. Click the hyperlink under the **Reporting entity** column to go to the division card of the reporting entity. Click the hyperlink under the **G/L** and **G/L (Reporting entity)** columns to go to the G/L account card of the division and reporting entity, respectively.

> **Note**:
> All fields with the "**!**" icon are mandatory.

5.4.3 Viewing share movement records

Over time, divisions and their shareholders can have multiple share transactions being carried out when they buy and sell shares. These transactions affect the percentage of ownership, which itself is a factor that determines the consolidated financial figures. Hence, it is important to be able to view the historical records of share movements between divisions and their shareholders to better understand the consolidated financial reports of different years and periods. In an example of a share disposal transaction, this transaction will be recorded when a shareholder sells part of its shares in a division or sells all the shares when it no longer wishes to invest in the division.

In the second scenario, the percentage of ownership will be recorded as 0% and the relationship between the division and the shareholder would become inactive. However, this relationship cannot be deleted in the system and would still be stored in the system to support historical reporting. With this feature, you can view the relationship as it was when the shareholder had shares in the division and track the share movements over a period of time.

To view share movement records:

1. Go to Modules → Financial → Setup → Organization → Divisions or Modules → HRM → Setup → Organization → Divisions, and click **Show** to display the overview of divisions.
2. Click a division to open the division card.
3. Under the **Groups** section, click **Shareholders** to view the share movement records from the perspective of a child division, and then click **Historical**. To view the share movement records from the perspective of a shareholder, click **Divisions** under the **Groups** section on the division card, and then click **Historical**. You will see the following page if you click **Shareholders** under the **Groups** section, and then click **Historical**.

> **Note:**
> If you click **Divisions** under the **Groups** section, and then click **Historical** to view the share movement records from the perspective of a shareholder, you will see the **Shareholder** field in the **Criteria** section, followed by the **Division** and **Type of shares** fields in the **General** section. Regardless of the perspective from where you view the share movement records, the same logic applies in this function that allows you to view the share movement records between the selected division and shareholder.

4. Under the **Criteria** section, type or select the division at **Division** to display the share transaction records involving shares purchased and disposed in the selected division by the selected shareholder. By default, this will show the division which you have opened the division card.
5. Under the **General** section at **Shareholder**, type or select the shareholder to display the share transaction records involving shares purchased and disposed by the selected shareholder in the selected division.
6. At **Type of shares**, select **Ordinary shares** to view the ordinary share transaction records between the selected division and shareholder or **Preference shares** to view the preference share transaction records between the selected division and shareholder.
7. Click **Show** to view the share movement records based on the defined criteria.

8. The **Share purchases & disposals** section displays the share movement records between the selected division and shareholder. The **Date** column shows the transaction dates of the shares movements, while the **No. of shares purchased / disposed** column shows the number of shares purchased or sold on each of the transaction dates. A negative number indicates share disposals. The number of shares held by the shareholder on every transaction date is shown under the **Total no. of shares held** column and the total number of shares issued by the division is shown under the **Total no. of shares issued** column. Under the **Total % owned to date** column, the current percentage of ownership held by the shareholder in the division is displayed. The percentage of ownership is calculated by dividing the total number of shares held with the total number of shares issued.

APPENDIX 1: PRODUCT UPDATE CHANGES

Product Update	Chapter
242	All chapters
255	All chapters (screens changed)